



Charles Koch

CHARLES KOCH FOUNDATION

President's Letter

For more than 50 years, Charles Koch has supported higher education in the United States. Throughout that half century—a period during which people have transformed how they live and work together—improvements in an understanding of how the world works, made possible by research and discovery, have helped billions of people around the world live better lives.

The Charles Koch Foundation was established in 1980 in this spirit, as a way to continue Charles Koch's personal philanthropy to support students and scholars who help advance an understanding of free societies and the ideas, institutions, and values that enable a system of mutual benefit and expand opportunity and well-being for all people.

Today, the Charles Koch Foundation provides support to professors at more than 300 colleges and universities across the country. These faculty come from many fields and engage many different questions but are united by a desire to work toward a better society. The Foundation's philanthropy is characterized by a commitment to the ideals of toleration, rigorous and respectful challenge, and academic freedom. When universities live up to these ideals, they set the tone in our broader culture and help shape how tomorrow's leaders approach problems and work together.

Though universities face difficult challenges today, we are encouraged by the many faculty and administrators who are committed to fostering a culture of open inquiry and the free exchange of ideas. At a time when there is so much attention on what divides our society, the projects imagined and proposed by the scholars we support reflect the desire to come together to solve the most difficult challenges in American life. We are optimistic for the future, in part, because of the diversity and number of grant applications we receive that demonstrate this.

In recent years, the number of grant applications submitted to the Charles Koch Foundation has increased dramatically. The Foundation's support has grown accordingly, and last year our total giving reached \$44 million. Beyond the quantity of applications, it is the content of these requests that we find most inspiring. Something remarkable is occurring in higher education, driven by students and scholars alike: a renewed enthusiasm for the idea that our society can be better and that universities have a critical role to play in helping make that happen.

Sincerely,



BRIAN HOOKS

*President,
Charles Koch Foundation*

This excitement inspires our team at the Foundation—and our university partners—because it directly increases the chances for breakthrough innovations and solutions to society's most pressing problems.

All of us at the Charles Koch Foundation are committed to helping realize that goal.



Our History

More than three decades ago, the Charles Koch Foundation was established as a small but committed foundation to continue Charles Koch's personal philanthropy. In 1981, as a new foundation, its philanthropic giving totaled less than \$200,000. Since then, Charles Koch's commitment has grown to keep pace with the demand from universities. Last year, our grants totaled more than \$44 million. That includes support for research, speaker series, conferences, educational programs, non-profits, and related initiatives.



*See grant
spotlights.*

Our Focus

The Charles Koch Foundation supports the exploration of how free societies best achieve long-term peace, civility, and well-being by enabling individuals to flourish by helping others.

In order to accomplish this, the Charles Koch Foundation supports those asking pressing questions to help foster progress on critical issues.

What drives long-term human flourishing? What characteristics of a society give individuals the best opportunities to improve their lives?

These questions inform our grant making. Last year, we issued a request for proposals in the following areas:



Well-Being

is a critical topic with broad implications for how individuals and societies organize to maximize human flourishing.



Foreign Policy

includes the United States' approach to grand strategy, trade, diplomacy, and defense policy.



Toleration & Free Speech

are foundational tenets of free and vibrant societies that help enable progress and discovery and provide a basis for peaceful coexistence among people with different views.



Criminal Justice & Policing Reform

has the potential to improve individual opportunity, family cohesion, public safety, and the ability for communities to thrive.



Barriers to Opportunity

such as cronyism and corporate welfare, occupational licensure, and failing schools make it harder for people to succeed and contribute to an increasingly two-tiered society.



Technology & Innovation

hold the promise that new ideas, products, or methods can enable individuals to use resources more efficiently and live dramatically better lives.

Grant Spotlight



UNCF

In 2015, the Charles Koch Foundation supported the inaugural UNCF/Koch Scholars Program Summit. The summit offers student scholars the opportunity to network with each other and with mentors in the academic and business communities as they continue their study of how Principled Entrepreneurship, innovation, and economic thinking contribute to well-being and how to apply these concepts in their lives. The summit is just one exciting aspect of the scholars program supported by a \$25 million grant to UNCF, the leading provider of support for minorities pursuing higher education. To date, UNCF has awarded more than 170 scholarships as part of the UNCF/Koch Scholars Program, helping students develop their unique talents and abilities in order to find fulfillment in their lives.



The Charles Koch Foundation's Higher Education Philanthropy

Since this country's founding, intellectual life within universities has been supported, in part, through private giving from alumni, local businesses, major charities, and many others. Private philanthropic support provides scholars and researchers with the resources they need to study and address the great challenges of our time, while educating new generations so they'll have the skills and ideas needed to succeed. Last year, higher education in the United States received more than \$40 billion in private donations. And the Charles Koch Foundation is proud to be a part of it.

Grant Spotlight



International Security Center at Notre Dame

In December 2015, the University of Notre Dame's International Security Center announced a five-year, \$3.5 million grant from the Charles Koch Foundation. Founded in 2008, the International Security Center "focuses on diversifying discussion surrounding U.S. international relations and its 'grand strategy.'" As the Foundation's vice president for policy and research Will Ruger has said, foreign policy "has huge ramifications for our security, prosperity, civil liberties, fiscal health, and our relationships with other nations and peoples." Through the grant, the Foundation supports research, inquiry, and the free exchange of ideas that can help identify better ways for people to live together peacefully. "This will be a tremendous boost for our center and take it to the next level," said Michael Desch, director of the center and chair of the Department of Political Science at the University of Notre Dame.

"We've made impressive advances since the center's founding in 2008. This grant accelerates the pace, allowing us to reach our aspirations even sooner."



Grant Recipients

Our 2015 grants represent hundreds of individual stories. And each of those stories started with a scholar who asked a question.

How can we ensure that criminal justice reform takes into account human dignity and public safety? Does American foreign policy make us safer? What is required for entrepreneurs to realize innovations that benefit all people?

Society's most pressing questions can best be answered through sound research, constructive dialogue that includes rigorous yet respectful challenge, and careful consideration of many different perspectives. University scholars are well positioned to do just that.

That's why we're passionate about supporting those who are actively contributing to the diversity of ideas and open inquiry on campus.

Grant Spotlight



Advancing Justice

In November 2015, the Charles Koch Institute and Charles Koch Foundation hosted a groundbreaking criminal justice summit in New Orleans entitled *Advancing Justice: An Agenda for Human Dignity and Public Safety*. More than 500 scholars, policy experts, non-profit leaders, and community leaders from organizations including the Open Society Foundations, the Thurgood Marshall College Fund, the Pew Charitable Trusts, Families Against Mandatory Minimums, *The Atlantic*, and the MacArthur Foundation gathered to discuss criminal justice and policing reform. Participants challenged each other to find the gaps in knowledge that are preventing policymakers and communities from taking the next steps in working toward rehabilitation, human dignity, and public safety. With more than 20 panels, keynote speeches, working sessions, and presentations, the summit was packed with opportunities to share ideas and develop the basis for improvements to the American criminal justice system.



Non-Profit Grant Recipients

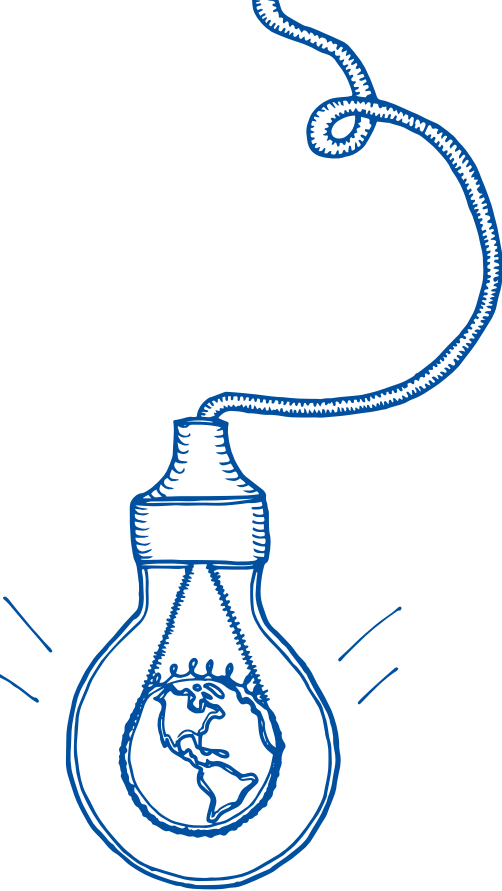
In addition to supporting colleges and universities, the Charles Koch Foundation gives to other non-profit organizations striving to provide a deeper understanding of the institutions and ideas that enable people to improve their lives. These partners include research foundations, think tanks, and community organizations.

Grant Spotlight



**Brookings
Institution**

Over the past two decades, Carol Graham, the Leo Pasvolosky Senior Fellow at the Brookings Institution and College Park Professor at the School of Public Policy at the University of Maryland, has helped shape the field of well-being economics. While researching poverty metrics in Latin America in the early 1990s, Graham noticed a correlation between psychology and economics that, at the time, had little data to back it up. Since then, Graham has sought to gather and analyze data from throughout the United States and around the world on how economic success affects general life satisfaction and vice versa. “If we want to understand our divisions, implications of very high levels of inequality,” says Graham, “we need to understand the relationships between income trends ... and behavioral channels.” In other words, what are the behaviors and beliefs shared by people who are falling behind? What makes someone more or less willing to invest in the future? Why are certain safety net programs more effective than others? The answers to these questions could have significant implications for policies aimed at tackling poverty and economic downturns. More recently, the Charles Koch Foundation has supported Graham’s efforts to expand her work.



The Way Forward

Higher education is a door to opportunity and progress, and more students than ever are walking through it. Since 1980, U.S. enrollment in degree-granting postsecondary institutions has grown from 12 million to over 20 million. By 2024, student enrollment is expected to reach 23 million.

The increase in student enrollment will continue to create a demand for resources that would have been inconceivable in previous decades. It also means we expect to continue to welcome an increase in the number of grant applications to the Charles Koch Foundation, as well as the range and diversity of projects that we support.

We see this as an opportunity to continue supporting groundbreaking programs across the country—including programs that are often overlooked by other funders. The Charles Koch Foundation supports scholars at hundreds of colleges and universities, ranging from top-ranked institutions like Harvard, Chicago, Stanford, Brown, and Princeton to schools that may not be on other funders' radars. Our giving is driven by a desire to support proposals that show the most promise to benefit all people. While a university's ranking is an important indicator of the quality of the work one can expect of its scholars, we know that the majority of students do not attend the highest-ranked schools and that groundbreaking discoveries are possible in many places. That is to say, we are committed to welcoming proposals from a diverse range of colleges and universities and supporting the education of a broad base of students.

History demonstrates that societies that embrace openness to new ideas are those in which people have the best chance to improve their lives. As the demand for support increases, the Charles Koch Foundation will continue to grow its support for projects that build on that promise.

Grant Spotlight



APEE Young Scholars Program

Academic conferences present one of many opportunities to support scholars, especially young scholars just starting in their careers. In one example, the Association of Private Enterprise Education (APEE) received support for its Young Scholars Program, which provided funding for graduate students and young faculty to attend APEE's annual meeting. One of the main goals of APEE—and the annual meeting in particular—is to serve as a forum for teachers and scholars who are interested in sharing their research, successful teaching methods, and programming ideas. Several young scholars were able to present their research at the 2015 meeting, which featured sessions on topics ranging from entrepreneurship to economic history to philanthropy to monetary policy.



charleskochfoundation.org

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